

# HOUSE BILL REPORT

## SSB 5644

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**As Reported by House Committee On:**  
Capital Budget

**Title:** An act relating to skill center facility maintenance.

**Brief Description:** Concerning skill center facility maintenance.

**Sponsors:** Senate Committee on Ways & Means (originally sponsored by Senator Honeyford).

**Brief History:**

**Committee Activity:**

Capital Budget: 3/14/17, 3/21/17 [DPA].

**Brief Summary of Substitute Bill**  
**(As Amended by Committee)**

- Requires a host district of a skill center cooperative to maintain a separate capital account for minor repair and maintenance costs of the skill center.
- Requires participating school districts to make annual deposits into the account.
- Authorizes the host district to collect the deposits by charging participating districts an annual per-pupil facility fee.

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### HOUSE COMMITTEE ON CAPITAL BUDGET

**Majority Report:** Do pass as amended. Signed by 19 members: Representatives Tharinger, Chair; Doglio, Vice Chair; Peterson, Vice Chair; DeBolt, Ranking Minority Member; Smith, Assistant Ranking Minority Member; Dye, Johnson, Koster, Kraft, MacEwen, Macri, Morris, Reeves, Riccelli, Ryu, Sells, Steele, Stonier and J. Walsh.

**Staff:** Christine Thomas (786-7142).

**Background:**

Skill Centers.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

Skill centers are part of the Washington state K-12 education system where students participate in a wide range of advanced career and technical programs such as automotive technology, culinary arts, computer science, medical and dental assistance, precision machining, and several other disciplines. Students graduating from skill centers and completing skill center programs may go on to continue postsecondary schooling, participate in apprenticeship programs, join the military, or make living-wage careers. There are 20 skill center core or branch campuses throughout the state that operate as cooperatives with participating school districts, serving about 7,000 students. The host district is defined as "a member of the skill center cooperative selected to be responsible for the planning, construction, administration, operation, and fiscal services of the skill center." The host district is usually the district in which the skill center facility is located.

#### Skill Center Funding.

Major capital facility funding for individual skill center projects is provided through the capital budget and administered by the School Facilities and Organization division at the Office of the Superintendent of Public Instruction (OSPI). At times the capital budget has also provided funding for minor works projects for the skill center network.

Allocations for materials, supplies, and operating costs (MSOC) including maintenance and minor repairs of school facilities for career and technical education are specified in the state's omnibus operating budget for the OSPI. For the 2016-17 school year, the MSOC allocation per skill center student is \$1,286.99. These MSOC allocations provide an increased allocation per pupil compared to the general education allocation for each basic education student in middle or high school. The funding provided to school districts through the prototypical school formulas is for allocation purposes only. Districts have discretion over how the money is spent, subject to some limits. For career and technical education programs, including skill centers, indirect cost charges are limited to no more than 15 percent of the program allocation.

#### School District Accounting.

School district accounting requirements organize and operate on a fund basis. Under current law, school districts must establish the following funds:

- a general fund for the maintenance and operations (M&O) of the district, which includes both moneys received from the state and from other local revenues such as M&O levies;
- a capital projects fund for major capital purposes;
- a debt service fund for the retirement of bonds; and
- an associated student body fund for all moneys generated through the programs and activities of any associated student body organization.

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#### **Summary of Amended Bill:**

The host district of a skill center cooperative must maintain a separate capital account for minor repair and maintenance costs for the skill center. The participating school districts must make annual deposits into the account. The host district is authorized to collect the annual deposit by charging the participating districts an annual per-pupil facility fee.

**Amended Bill Compared to Substitute Bill:**

Funds are made available for minor repairs and maintenance costs through the separate capital account for all skill center facilities constructed or renovated with state funding, not just those skill center facilities funded after July 1, 2017. Host districts are authorized to collect annual deposits from participating districts by charging an annual per-pupil facility fee.

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**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date of Amended Bill:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

**Staff Summary of Public Testimony:**

(In support) Skill centers are funded through direct appropriations. They are not required to participate in the Asset Preservation Program, unlike public schools constructed with funding assistance from the state. Skill centers are also not required to conduct a Building Condition Evaluation. Since all skill centers have been funded with state funds, all skill center facilities should be able to access funds deposited into the capital account for minor repair and maintenance costs, not just those funded with state assistance after July 1, 2017.

(Opposed) None.

**Persons Testifying:** Senator Honeyford, prime sponsor; and Casey Moore, Office of Superintendent the of Public Instruction.

**Persons Signed In To Testify But Not Testifying:** None.